

FISCAL NOTE

SB 3861 - HB 3737

February 20, 2008

SUMMARY OF BILL: Requires the Department of Education in consultation with the U.S. Department of Health and Human Services to conduct a two-year pandemic influenza vaccination demonstration and study program to assess the educational impact of seasonal influenza vaccinations and the suitability of the state's elementary and secondary schools for incorporation into federal and state pandemic response plans. Requires the Commissioner of Education to make a report to the General Assembly no later than 90 days after the study is complete.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$845,200/FY08-09, FY09-10
\$99,800/One-Time

Increase Local Expenditures* - \$76,100/FY08-09, FY09-10

Assumptions:

- There are no school districts that have low income student populations of at least 500,000.
- Three rural districts will be selected by the Commissioner of Education.
- The cost for flu vaccines will be a state expenditure. According to the Centers for Disease Control (CDC), the average flu vaccine costs \$17.95 per dose. According to the CDC, 44 percent of children state-wide meet the federal income and healthcare eligibility requirements to participate in this study. Participation in the study will be voluntary.
- According to a pandemic study conducted in Knox County in 2005, 45 percent of eligible children volunteered to be vaccinated. Based on this report, it is assumed that 45 percent of all eligible children will receive the vaccine.
- The average student population in rural school districts is 7,341 students. The population for three rural districts is approximately 22,023 students ($7,341 \times 3 = 22,023$). Forty-Four percent or 9,690 students will be eligible to be vaccinated. Forty-Five percent of those or 4,360 students will voluntarily receive the vaccine. The cost for

vaccinating 4,360 students will be \$78,262 ($4,360 \times \17.95 per vaccine = \$78,262).

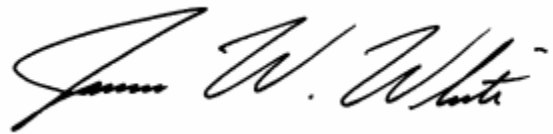
- According to Department of Health and the Department of Education, additional state administrative costs will be incurred to perform this study. The Department of Health will need three public health nursing consultants to monitor each site at a cost of \$67,866 per consultant for a total recurring cost of \$203,598. Additional administrative costs of \$7,900 per full-time salaried employee will be \$23,700 ($\$7,900 \times 3$ positions = \$23,700). Leasing of office space will cost approximately \$12,300 per year. Computer costs will be approximately \$4,600 per year for three computers and three printers. Other miscellaneous expenses for medical supplies (\$77,000), vaccine storage (\$4,500), contract for nursing services (\$229,000), contract for physician services (\$52,000), and miscellaneous supplies (\$1,800) will be \$364,300 ($\$77,000 + \$4,500 + \$229,000 + \$52,000 + \$1,800 = \$364,300$).
- Total Department of Health recurring expenditures will be \$608,498 ($\$203,598 + \$23,700 + \$12,300 + \$4,600 + \$364,300 = \$608,498$).
- Two temporary Department of Health employees will be needed to compile data. They will work for 2,250 hours per employee at an hourly rate of \$10.38. One-time state expenditures will increase approximately \$46,710 ($\$10.38 \times 4,500 = \$46,710$). Office set-up at the leased facilities will be \$2,700 a facility, a one-time state expenditure of \$8,100 ($\$2,700 \times 3 = \$8,100$). Three vaccine storage refrigerators will be purchased at a cost of \$15,000 per refrigerator for a total one-time expenditures of \$45,000 ($\$15,000 \times 3 = \$45,000$).
- Total one-time state expenditures will be \$99,810 ($\$46,710 + \$8,100 + \$45,000 = \$99,810$).
- According to the Department of Education, additional personnel and meetings will be required to fulfill their duties. One education consultant to direct the program will cost \$68,012 (salary and benefits) per year. One secretary will be required to provide administrative services at a cost of \$41,352 (salary and benefits) per year. One data analyst to extract and report on the data will cost \$43,750 (salary and benefit) per year. Other state recurring expenditures include travel, lodging and supplies for nine administrative meetings per year. Travel for nine meetings at 400 miles per meeting at 46 cents a mile will be \$1,656 per year ($9 \text{ meetings} \times 400 \text{ miles} \times \$0.46 \text{ cents per mile} = \$1,656$). Hotel costs will be for nine meetings at \$100 per night for a recurring cost of \$900 per year ($9 \text{ nights} \times \$100 \text{ per night} = \900). Meeting materials will cost approximately \$200 per meeting for a total recurring cost of \$1,800 for nine meetings ($\$200 \times 9 \text{ meetings} = \$1,800$). General office supplies will cost approximately \$1,000 per year. Total Department of Education recurring expenditures will be \$158,470 ($\$68,012 + \$41,352 + \$43,750 + \$1,656 + \$900 + \$1,000 + \$1,800 = \$158,470$).

- According to the Department of Education, three part-time registered nurses at the local level will be required to implement and monitor the study. This cost will be borne by local governments. Part-time salary and benefits for three nurses will be \$25,352 per nurse for a total recurring cost of \$76,056 ($\$25,352 \times 3 = \$76,056$).
- Total recurring state expenditures will be \$845,230 (\$608,498 health administrative + \$158,470 education administrative + \$78,262 student vaccines = \$845,230).

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

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